

1 AN ACT in relation to public employee benefits.

2 Be it enacted by the People of the State of  
3 Illinois, represented in the General Assembly:

4 Section 5. The Illinois Pension Code is amended by  
5 changing Sections 7-109.3 and 7-132 as follows:

6 (40 ILCS 5/7-109.3) (from Ch. 108 1/2, par. 7-109.3)  
7 Sec. 7-109.3. "Sheriff's Law Enforcement Employees".

8 (a) "Sheriff's law enforcement employee" or "SLEP"  
9 means:

10 (1) A county sheriff and all deputies, other than  
11 special deputies, employed on a full time basis in the  
12 office of the sheriff.

13 (2) A person who has elected to participate in this  
14 Fund under Section 3-109.1 of this Code, and who is  
15 employed by a participating municipality to perform  
16 police duties.

17 (3) A law enforcement officer employed on a full  
18 time basis by a Forest Preserve District, provided that  
19 such officer shall be deemed a "sheriff's law enforcement  
20 employee" for the purposes of this Article, and service  
21 in that capacity shall be deemed to be service as a  
22 sheriff's law enforcement employee, only if the board of  
23 commissioners of the District have so elected by adoption  
24 of an affirmative resolution. Such election, once made,  
25 may not be rescinded.

26 (4) A person not eligible to participate in a fund  
27 established under Article 3 of this Code who is employed  
28 on a full-time basis by a participating municipality or  
29 participating instrumentality to perform police duties at  
30 an airport, but only if the governing authority of the  
31 employer has approved sheriff's law enforcement employee

1 status for its airport police employees by adoption of an  
2 affirmative resolution. Such approval, once given, may  
3 not be rescinded.

4 (5) A person not eligible to participate in a fund  
5 established under Article 3 of this Code who is employed  
6 on a full-time basis by a participating city, village, or  
7 incorporated town to perform police duties.

8 (b) An employee who is a sheriff's law enforcement  
9 employee and is granted military leave or authorized leave of  
10 absence shall receive service credit in that capacity.  
11 Sheriff's law enforcement employees shall not be entitled to  
12 out-of-State service credit under Section 7-139.

13 (Source: P.A. 92-16, eff. 6-28-01.)

14 (40 ILCS 5/7-132) (from Ch. 108 1/2, par. 7-132)

15 Sec. 7-132. Municipalities, instrumentalities and  
16 participating instrumentalities included and effective dates.

17 (A) Municipalities and their instrumentalities.

18 (a) The following described municipalities, but not  
19 including any with more than 1,000,000 inhabitants, and the  
20 instrumentalities thereof, shall be included within and be  
21 subject to this Article beginning upon the effective dates  
22 specified by the Board:

23 (1) Except as to the municipalities and  
24 instrumentalities thereof specifically excluded under  
25 this Article, every county shall be subject to this  
26 Article, and all cities, villages and incorporated towns  
27 having a population in excess of 5,000 inhabitants as  
28 determined by the last preceding decennial or subsequent  
29 federal census, shall be subject to this Article  
30 following publication of the census by the Bureau of the  
31 Census. Within 90 days after publication of the census,  
32 the Board shall notify any municipality that has become  
33 subject to this Article as a result of that census, and

1 shall provide information to the corporate authorities of  
2 the municipality explaining the duties and consequences  
3 of participation. The notification shall also include a  
4 proposed date upon which participation by the  
5 municipality will commence.

6 However, for any city, village or incorporated town  
7 that attains a population over 5,000 inhabitants after  
8 having provided social security coverage for its  
9 employees under the Social Security Enabling Act,  
10 participation under this Article shall not be mandatory  
11 (except as provided in subdivision (A)(a-5) of this  
12 Section) but may be elected in accordance with  
13 subparagraph (3) or (4) of this paragraph (a), whichever  
14 is applicable.

15 (2) School districts, other than those specifically  
16 excluded under this Article, shall be subject to this  
17 Article, without election, with respect to all employees  
18 thereof.

19 (3) Towns and all other bodies politic and  
20 corporate which are formed by vote of, or are subject to  
21 control by, the electors in towns and are located in  
22 towns which are not participating municipalities on the  
23 effective date of this Act, may become subject to this  
24 Article by election pursuant to Section 7-132.1.

25 (4) Any other municipality (together with its  
26 instrumentalities), other than those specifically  
27 excluded from participation and those described in  
28 paragraph (3) above, may elect to be included either by  
29 referendum under Section 7-134 or by the adoption of a  
30 resolution or ordinance by its governing body. A copy of  
31 such resolution or ordinance duly authenticated and  
32 certified by the clerk of the municipality or other  
33 appropriate official of its governing body shall  
34 constitute the required notice to the board of such

1 action.

2 (a-5) Notwithstanding the other provisions of this  
3 Section, a city, village, or incorporated town with a  
4 population of less than 1,000,000 that (i) does not otherwise  
5 participate in the Fund and (ii) employs one or more  
6 full-time police officers who do not participate in an  
7 Article 3 police pension fund shall begin to participate in  
8 this Fund with respect to those police officers no later than  
9 6 months after the effective date of this amendatory Act of  
10 the 93rd General Assembly. A city, village, or incorporated  
11 town required to participate in the Fund with respect to its  
12 full-time police officers under this subdivision (a-5) need  
13 not participate in the Fund with respect to its other  
14 officers and employees. Participation in this Fund by a  
15 city, village, or incorporated town with a population of less  
16 than 1,000,000 with respect to its full-time police officers  
17 who do not participate in an Article 3 police pension fund is  
18 a matter of exclusive State power; this subdivision (a-5) is  
19 a denial and limitation of home rule power under subsection  
20 (h) of Section 6 of Article VII of the Illinois Constitution.

21 (b) A municipality that is about to begin participation  
22 shall submit to the Board an application to participate, in a  
23 form acceptable to the Board, not later than 90 days prior to  
24 the proposed effective date of participation. The Board  
25 shall act upon the application within 90 days, and if it  
26 finds that the application is in conformity with its  
27 requirements and the requirements of this Article,  
28 participation by the applicant shall commence on a date  
29 acceptable to the municipality and specified by the Board,  
30 but in no event more than one year from the date of  
31 application.

32 (c) A participating municipality which succeeds to the  
33 functions of a participating municipality which is dissolved  
34 or terminates its existence shall assume and be transferred

1 the net accumulation balance in the municipality reserve and  
2 the municipality account receivable balance of the terminated  
3 municipality.

4 (d) In the case of a Veterans Assistance Commission  
5 whose employees were being treated by the Fund on January 1,  
6 1990 as employees of the county served by the Commission, the  
7 Fund may continue to treat the employees of the Veterans  
8 Assistance Commission as county employees for the purposes of  
9 this Article, unless the Commission becomes a participating  
10 instrumentality in accordance with subsection (B) of this  
11 Section.

12 (B) Participating instrumentalities.

13 (a) The participating instrumentalities designated in  
14 paragraph (b) of this subsection shall be included within and  
15 be subject to this Article if:

16 (1) an application to participate, in a form  
17 acceptable to the Board and adopted by a two-thirds vote  
18 of the governing body, is presented to the Board not  
19 later than 90 days prior to the proposed effective date;  
20 and

21 (2) the Board finds that the application is in  
22 conformity with its requirements, that the applicant has  
23 reasonable expectation to continue as a political entity  
24 for a period of at least 10 years and has the prospective  
25 financial capacity to meet its current and future  
26 obligations to the Fund, and that the actuarial soundness  
27 of the Fund may be reasonably expected to be unimpaired  
28 by approval of participation by the applicant.

29 The Board shall notify the applicant of its findings  
30 within 90 days after receiving the application, and if the  
31 Board approves the application, participation by the  
32 applicant shall commence on the effective date specified by  
33 the Board.

34 (b) The following participating instrumentalities, so

1 long as they meet the requirements of Section 7-108 and the  
2 area served by them or within their jurisdiction is not  
3 located entirely within a municipality having more than one  
4 million inhabitants, may be included hereunder:

5 i. Township School District Trustees.

6 ii. Multiple County and Consolidated Health  
7 Departments created under Division 5-25 of the Counties  
8 Code or its predecessor law.

9 iii. Public Building Commissions created under the  
10 Public Building Commission Act, and located in counties  
11 of less than 1,000,000 inhabitants.

12 iv. A multitype, consolidated or cooperative  
13 library system created under the Illinois Library System  
14 Act. Any library system created under the Illinois  
15 Library System Act that has one or more predecessors that  
16 participated in the Fund may participate in the Fund upon  
17 application. The Board shall establish procedures for  
18 implementing the transfer of rights and obligations from  
19 the predecessor system to the successor system.

20 v. Regional Planning Commissions created under  
21 Division 5-14 of the Counties Code or its predecessor  
22 law.

23 vi. Local Public Housing Authorities created under  
24 the Housing Authorities Act, located in counties of less  
25 than 1,000,000 inhabitants.

26 vii. Illinois Municipal League.

27 viii. Northeastern Illinois Metropolitan Area  
28 Planning Commission.

29 ix. Southwestern Illinois Metropolitan Area  
30 Planning Commission.

31 x. Illinois Association of Park Districts.

32 xi. Illinois Supervisors, County Commissioners and  
33 Superintendents of Highways Association.

34 xii. Tri-City Regional Port District.

1           xiii. An association, or not-for-profit  
2 corporation, membership in which is authorized under  
3 Section 85-15 of the Township Code.

4           xiv. Drainage Districts operating under the  
5 Illinois Drainage Code.

6           xv. Local mass transit districts created under the  
7 Local Mass Transit District Act.

8           xvi. Soil and water conservation districts created  
9 under the Soil and Water Conservation Districts Law.

10          xvii. Commissions created to provide water supply  
11 or sewer services or both under Division 135 or Division  
12 136 of Article 11 of the Illinois Municipal Code.

13          xviii. Public water districts created under the  
14 Public Water District Act.

15          xix. Veterans Assistance Commissions established  
16 under Section 9 of the Military Veterans Assistance Act  
17 that serve counties with a population of less than  
18 1,000,000.

19          xx. The governing body of an entity, other than a  
20 vocational education cooperative, created under an  
21 intergovernmental cooperative agreement established  
22 between participating municipalities under the  
23 Intergovernmental Cooperation Act, which by the terms of  
24 the agreement is the employer of the persons performing  
25 services under the agreement under the usual common law  
26 rules determining the employer-employee relationship. The  
27 governing body of such an intergovernmental cooperative  
28 entity established prior to July 1, 1988 may make  
29 participation retroactive to the effective date of the  
30 agreement and, if so, the effective date of participation  
31 shall be the date the required application is filed with  
32 the fund. If any such entity is unable to pay the  
33 required employer contributions to the fund, then the  
34 participating municipalities shall make payment of the

1 required contributions and the payments shall be  
2 allocated as provided in the agreement or, if not so  
3 provided, equally among them.

4 xxi. The Illinois Municipal Electric Agency.

5 xxii. The Waukegan Port District.

6 xxiii. The Fox Waterway Agency created under the  
7 Fox Waterway Agency Act.

8 xxiv. The Illinois Municipal Gas Agency.

9 xxv. The Kaskaskia Regional Port District.

10 xxvi. The Southwestern Illinois Development  
11 Authority.

12 (c) The governing boards of special education joint  
13 agreements created under Section 10-22.31 of the School Code  
14 without designation of an administrative district shall be  
15 included within and be subject to this Article as  
16 participating instrumentalities when the joint agreement  
17 becomes effective. However, the governing board of any such  
18 special education joint agreement in effect before September  
19 5, 1975 shall not be subject to this Article unless the joint  
20 agreement is modified by the school districts to provide that  
21 the governing board is subject to this Article, except as  
22 otherwise provided by this Section.

23 The governing board of the Special Education District of  
24 Lake County shall become subject to this Article as a  
25 participating instrumentality on July 1, 1997.  
26 Notwithstanding subdivision (a)1 of Section 7-139, on the  
27 effective date of participation, employees of the governing  
28 board of the Special Education District of Lake County shall  
29 receive creditable service for their prior service with that  
30 employer, up to a maximum of 5 years, without any employee  
31 contribution. Employees may establish creditable service for  
32 the remainder of their prior service with that employer, if  
33 any, by applying in writing and paying an employee  
34 contribution in an amount determined by the Fund, based on

1 the employee contribution rates in effect at the time of  
2 application for the creditable service and the employee's  
3 salary rate on the effective date of participation for that  
4 employer, plus interest at the effective rate from the date  
5 of the prior service to the date of payment. Application for  
6 this creditable service must be made before July 1, 1998; the  
7 payment may be made at any time while the employee is still  
8 in service. The employer may elect to make the required  
9 contribution on behalf of the employee.

10 The governing board of a special education joint  
11 agreement created under Section 10-22.31 of the School Code  
12 for which an administrative district has been designated, if  
13 there are employees of the cooperative educational entity who  
14 are not employees of the administrative district, may elect  
15 to participate in the Fund and be included within this  
16 Article as a participating instrumentality, subject to such  
17 application procedures and rules as the Board may prescribe.

18 The Boards of Control of cooperative or joint educational  
19 programs or projects created and administered under Section  
20 3-15.14 of the School Code, whether or not the Boards act as  
21 their own administrative district, shall be included within  
22 and be subject to this Article as participating  
23 instrumentalities when the agreement establishing the  
24 cooperative or joint educational program or project becomes  
25 effective.

26 The governing board of a special education joint  
27 agreement entered into after June 30, 1984 and prior to  
28 September 17, 1985 which provides for representation on the  
29 governing board by less than all the participating districts  
30 shall be included within and subject to this Article as a  
31 participating instrumentality. Such participation shall be  
32 effective as of the date the joint agreement becomes  
33 effective.

34 The governing boards of educational service centers

1 established under Section 2-3.62 of the School Code shall be  
2 included within and subject to this Article as participating  
3 instrumentalities. The governing boards of vocational  
4 education cooperative agreements created under the  
5 Intergovernmental Cooperation Act and approved by the State  
6 Board of Education shall be included within and be subject to  
7 this Article as participating instrumentalities. If any such  
8 governing boards or boards of control are unable to pay the  
9 required employer contributions to the fund, then the school  
10 districts served by such boards shall make payment of  
11 required contributions as provided in Section 7-172. The  
12 payments shall be allocated among the several school  
13 districts in proportion to the number of students in average  
14 daily attendance for the last full school year for each  
15 district in relation to the total number of students in  
16 average attendance for such period for all districts served.  
17 If such educational service centers, vocational education  
18 cooperatives or cooperative or joint educational programs or  
19 projects created and administered under Section 3-15.14 of  
20 the School Code are dissolved, the assets and obligations  
21 shall be distributed among the districts in the same  
22 proportions unless otherwise provided.

23 (d) The governing boards of special recreation joint  
24 agreements created under Section 8-10b of the Park District  
25 Code, operating without designation of an administrative  
26 district or an administrative municipality appointed to  
27 administer the program operating under the authority of such  
28 joint agreement shall be included within and be subject to  
29 this Article as participating instrumentalities when the  
30 joint agreement becomes effective. However, the governing  
31 board of any such special recreation joint agreement in  
32 effect before January 1, 1980 shall not be subject to this  
33 Article unless the joint agreement is modified, by the  
34 districts and municipalities which are parties to the

1 agreement, to provide that the governing board is subject to  
2 this Article.

3 If the Board returns any employer and employee  
4 contributions to any employer which erroneously submitted  
5 such contributions on behalf of a special recreation joint  
6 agreement, the Board shall include interest computed from the  
7 end of each year to the date of payment, not compounded, at  
8 the rate of 7% per annum.

9 (e) Each multi-township assessment district, the board  
10 of trustees of which has adopted this Article by ordinance  
11 prior to April 1, 1982, shall be a participating  
12 instrumentality included within and subject to this Article  
13 effective December 1, 1981. The contributions required under  
14 Section 7-172 shall be included in the budget prepared under  
15 and allocated in accordance with Section 2-30 of the Property  
16 Tax Code.

17 (f) Beginning January 1, 1992, each prospective  
18 participating municipality or participating instrumentality  
19 shall pay to the Fund the cost, as determined by the Board,  
20 of a study prepared by the Fund or its actuary, detailing the  
21 prospective costs of participation in the Fund to be expected  
22 by the municipality or instrumentality.

23 (Source: P.A. 92-424, eff. 8-17-01.)

24 Section 90. The State Mandates Act is amended by adding  
25 Section 8.27 as follows:

26 (30 ILCS 805/8.27 new)

27 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6  
28 and 8 of this Act, no reimbursement by the State is required  
29 for the implementation of any mandate created by this  
30 amendatory Act of the 93rd General Assembly.

31 Section 99. Effective date. This Act takes effect upon

1 becoming law.